UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/016,385	10/26/2001	William E. Taylor	01-328	4949

58982 7590 10/12/2007

CATERPILLAR/FINNEGAN, HENDERSON, L.L.P.
901 New York Avenue, NW
WASHINGTON, DC 20001-4413

EXAMINER	
BUCHANAN, CHRISTOPHER R	
ART UNIT	**PAPER NUMBER**
3627	

MAIL DATE	DELIVERY MODE
10/12/2007	PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

UNITED STATES PATENT AND TRADEMARK OFFICE

Commissioner for Patents
United States Patent and Trademark Office
P.O. Box 1450
Alexandria, VA 22313-1450
www.uspto.gov

BEFORE THE BOARD OF PATENT APPEALS AND INTERFERENCES

Application Number: 10/016,385
Filing Date: October 26, 2001
Appellant(s): TAYLOR, WILLIAM E.

For Appellant

EXAMINER'S ANSWER

This is in response to the appeal brief filed April 27, 2007 appealing from the Office action mailed April 27, 2006.

(1) Real Party in Interest

A statement identifying by name the real party in interest is contained in the brief.

(2) Related Appeals and Interferences

The examiner is not aware of any related appeals, interferences, or judicial proceedings which will directly affect or be directly affected by or have a bearing on the Board's decision in the pending appeal.

(3) Status of Claims

The statement of the status of claims contained in the brief is correct.

(4) Status of Amendments After Final

The appellant's statement of the status of amendments after final rejection contained in the brief is correct.

(5) Summary of Claimed Subject Matter

The summary of claimed subject matter contained in the brief is correct.

(6) Grounds of Rejection to be Reviewed on Appeal

The appellant's statement of the grounds of rejection to be reviewed on appeal is correct.

(7) Claims Appendix

The copy of the appealed claims contained in the Appendix to the brief is correct.

(8) Evidence Relied Upon

6,067,531	HOYT et al.	5-2000
6,298,333	MANZI et al.	10-2001
5,724,523	LONGFIELD	3-1998

(9) Grounds of Rejection

The following ground(s) of rejection are applicable to the appealed claims:

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

Claims 1-7, 9-23, 48, and 49 are rejected under 35 U.S.C. 103(a) as being unpatentable over Hoyt et al. in view of Manzi et al. and Longfield.

Regarding claims 1, 23, and 49, Hoyt et al. disclose a method for automatically determining taxes for a contract for equipment (col. 2 line 1+), including the steps of

establishing a set of contract characteristics (provided by central registry 306, col. 5 line 55+), and establishing customer location information (inherent to the data inputted into the contract formation system).

However, Hoyt et al. do not disclose automatically determining an appropriate set of tax rules to apply as a function of the customer location information; determining a contract type based on the contract characteristics under the set of tax rules; and calculating a tax amount based on the contract characteristics, the contract type, and the set of tax rules.

Manzi et al. does disclose determining an appropriate set of tax rules to apply as a function of the customer location information (col. 3 line 62); determining a contract type based on the contract characteristics under the set of tax rules (col. 4 lines 20-38); and calculating a tax amount based on the contract characteristics, the contract type, and the set of tax rules (tax is paid, see abstract 2nd to last sentence).

It would have been obvious to one of ordinary skill in the art at the time of the invention to modify the method in Hoyt et al. to include a lease-based scheme as taught by Manzi et al. in the automatic contract former of Hoyt et al., the motivation for which is found in the streamlining of processes. It is noted that Hoyt et al. disclose in col. 33 a Quick Close contract which includes "negotiated terms that meet certain business parameters" leading to the suggestion of the fully automated process of contract radification including an understanding of the tax effects of the contract. Thus, there is clear motivation to take what is alleged to be done manually in Manzi and implement it automatically as part of the certain business parameters of Hoyt et al. Official Notice is

taken regarding the recited factors of location, contract characteristics and contract type as impacting on the contract tax effects, see e.g. *West's Advanced Taxation.*

The above combination appears silent regarding the feature of selecting a paying party from a group of paying parties to pay the tax amount as a function of the set of tax rules.

Longfield discloses plural paying parties, namely an authorized preparer or an authorized financial institution 100 (col. 3 lines 41+), and depending upon a given set of rules which are established in advance, selecting one to be the payor.

It would have been obvious to one of ordinary skill in the art at the time of the invention to modify the aforesaid combination of Hoyt in view of Manzi to include the teaching of Longfield to provide a selection between parties would are to pay on another's behalf based on predetermined rules, the motivation being that the person most responsible for the paying should be the one who should pay.

Manzi et al. also answers as follows:

Re claims 2 and 3, a contract is a lease.

Re claims 4, 5, 6, 7, and 12, tax authority would inherently include all taxing jurisdictions common to a given area. The tax base is a function of law not invention.

Re claim 9, the lessor is the paying party.

Re claims 10-13 and 16, official notice is taken of the known use of installment paying, the use of invoices and zip codes.

Re claim 14, a product family and a model number for the equipment disclosed in col. 3 line 40.

Re claim 15, see col.4 lines 50 et seq.

Re claim 17, the system inherently records a residual amount due at end of contract.

Re claims 18-20, each equipment piece is given a book value, which translates to a purchase price/option.

Re claim 21, inherent to any transaction is a mandatory final payment.

Re claim 22, an obvious expedient to the leasing of a vehicle is the trade option.

Re claim 48, official notice is taken to power/size taxation rates. See, *West's Advanced Taxation* and mil rates for car taxes.

Re claim 49, Longfield discloses the selecting of a payor e.g. a from among a group including a financing company- e.g. bank/credit card issuer, or a tax preparer. The motivation for combining Manzi to include these features in Hoyt et al. and Loingfield remains as stated above the motivation for which is found in the streamlining of processes.

(10) Response to Argument

Appellant argues that the prior art references used in the rejection above do not disclose all the claimed features of the instant invention. In particular, appellant argues that the Longfield reference does not disclose the claimed feature "selecting a paying party from a group of paying parties, to pay the tax amount, as a function of the set of tax rules", as the examiner states in the final rejection.

The examiner disagrees and stands by the rejection. In the final rejection, the examiner points to Manzi (col. 4 lines 20-38) to show that there are rules which are applied to determine if taxes on the equipment rented are to be paid by one of a group of paying parties, namely the customer or the lessor or its agent. The rules tell the system the tax based on the selection of the device, thus there is a rule driven selection process (see col. 4 line 44). Longfield discloses selecting a payor from among a group of paying parties, including a financing company (e.g. bank/credit card issuer), a tax preparer, or the IRS, based upon tax rules (see IRS Pub 1345, it lists authorized RAL filers who are also payors). Thus, Longfield provides a teaching for selecting payors based upon a set of tax rules, the tax rules setting forth the requirements allowing a

preparer to be considered authorized or not. In the examiner's view, Longfield is responsive to the tax rules aspect of the claim language and Manzi is responsive to the commercial aspect of the selection process (customer location, contract characteristics, etc.). The motivation to combine is clear given that almost every commercial transaction has both private and governmental components to it.

(11) Related Proceeding(s) Appendix

No decision rendered by a court or the Board is identified by the examiner in the Related Appeals and Interferences section of this examiner's answer.

For the above reasons, it is believed that the rejections should be sustained.

Respectfully submitted,

Christopher Buchanan

Conferees:

Ryan Zeender 10/6/09

Vincent Millin

F. RYAN ZEENDER
PRIMARY EXAMINER